

Additional/Alternative Funding Options



1. Local Option Tax, County Wide

- Pros
 - Specifically targets tourist activity
 - Monies are available to counties and municipalities
 - Tax area, items and season may be tailored for the county
 - Designed to provide property tax relief
 - Low tourist counties are not forced to participate
- Cons
 - Inconsistent tax schemes across county lines
 - More complicated implementation

2. Statewide Sales Tax

- Pros
 - Consistent tax system across the state
 - Designed to provide property tax relief
- Cons
 - No flexibility to target tourist intensive areas or times
 - Low tourist counties must participate
 - Additional layer of administration at the State level

Additional/Alternative Funding Options



3. Statewide Luxury Tax

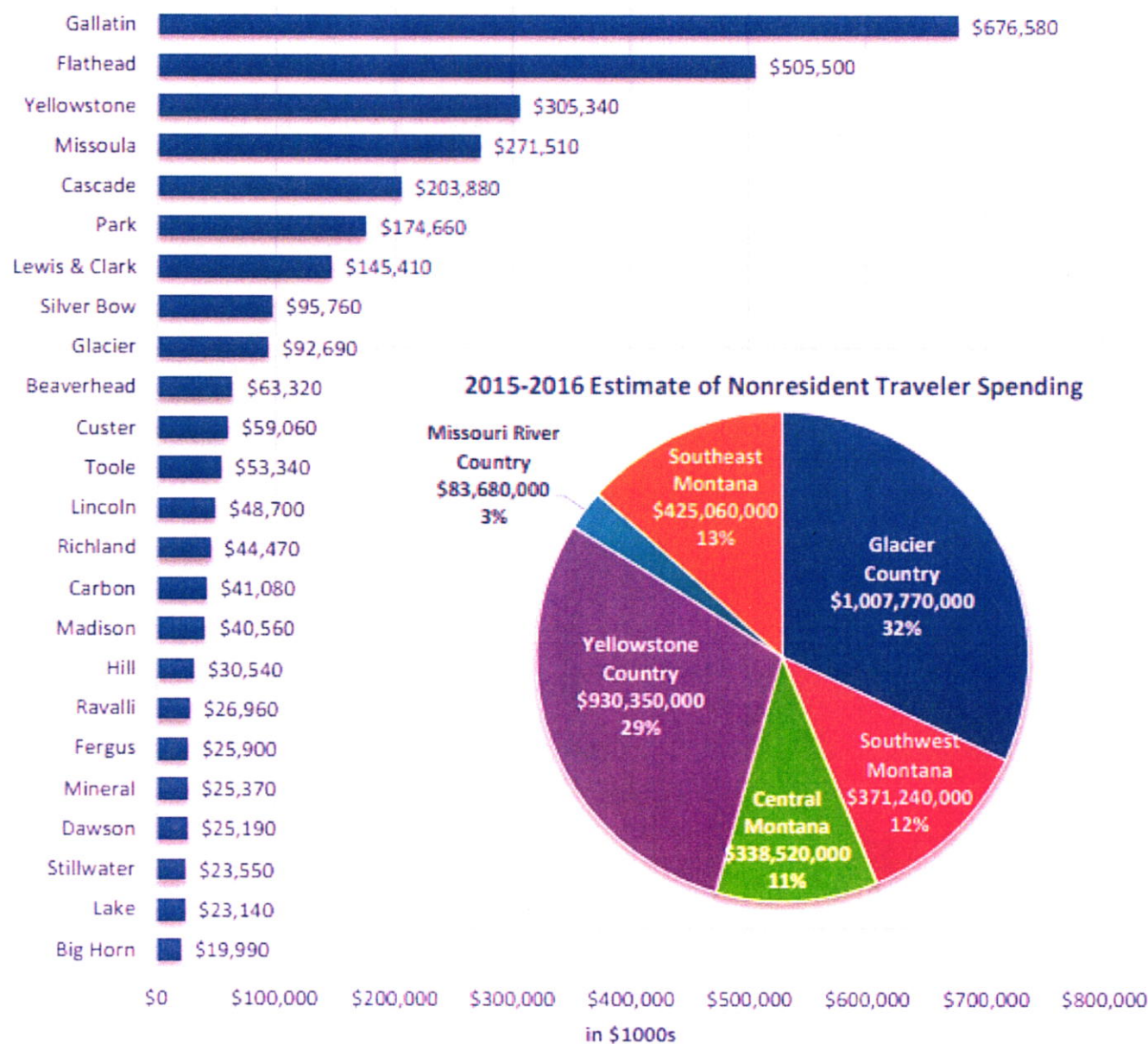
- Pros
 - Consistent tax system across the state
 - Designed to provide property tax relief
 - Structured to NOT include daily necessities, reducing impact on local taxpayers.
- Cons
 - No flexibility to target tourist intensive areas or times
 - Additional layer of administration at the State level
 - Low tourist counties must participate

4. Alter Current Resort Tax

- Pros
 - Already in place
 - Could expand to include larger municipalities and counties
 - Targets tourist activity
- Cons
 - Limited flexibility
 - Limited financial impact

Figure 1 - County and Travel Region Spending Estimates, 2016

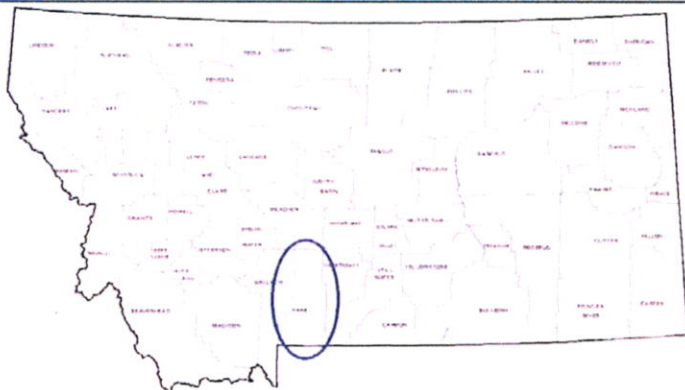
2015-2016 Estimate of Nonresident Traveler Spending per County Counties with \$20 million or more



2016 Nonresident Traveler Expenditures & Economic Contribution in Park County

by Kara Grau, M.S.

2016 Nonresident Traveler Expenditures in Park County



2016 Nonresident Expenditure Percentages in Park County

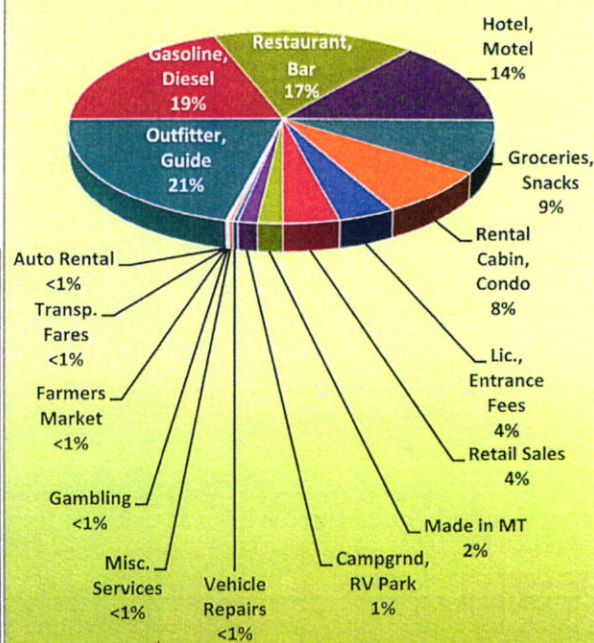


Table 1 - Total Nonresident Spending in Park County*⁰

Outfitter, Guide	\$36,737,000	Made in MT	\$3,049,000
Gasoline, Diesel	\$33,849,000	Campground, RV Park	\$2,328,000
Restaurant, Bar	\$29,206,000	Vehicle Repairs	\$654,000
Hotel, Motel	\$24,878,000	Misc. Services	\$378,000
Groceries, Snacks	\$15,381,000	Gambling	\$234,000
Rental Cabin, Condo	\$13,995,000	Farmers Market	\$100,000
Lic., Entrance Fees	\$6,907,000	Transportation Fares	\$88,000
Retail Sales	\$6,879,000	Auto Rental	Insufficient Sample Size
TOTAL		\$174,663,000	

2016 Contribution of Nonresident Traveler Expenditures in Park County

- 2016 average spending* in Park County by nonresident visitors to Montana totaled \$174.7 million.
- This \$174.7 million in local spending directly supports \$129.8 million of economic activity in the region, and supports an additional \$48.0 million of economic activity, indirectly.
- The total contribution of nonresident spending to the regional economy was \$177.8 million.

Table 2 - 2016 Economic Impact	Direct	Indirect	Induced	Combined
Industry Output	\$129,764,000	\$25,222,000	\$22,825,000	\$177,811,000
Employment (# of jobs)	2,410	270	220	2,900
Employee Compensation	\$46,539,000	\$4,812,000	\$5,638,000	\$56,989,000
Proprietor Income	\$5,386,000	\$1,305,000	\$810,000	\$7,501,000
Other Property Type Income	\$10,070,000	\$6,188,000	\$5,075,000	\$21,333,000
State & Local Taxes [^]	—	—	—	\$7,428,000

Direct impacts result from nonresident traveler purchases of goods and services; **Indirect impacts** result from purchases made by travel-related businesses; and **Induced impacts** result from purchases by those employed in travel-related occupations.

Industry Output is the value of goods & services produced by an industry which nonresidents purchase. **Employment** is full- and part-time average annual jobs. **Other Property Type Income** consists of payments for rents, royalties and dividends.

*Data is collected at the state level. The two-year average of expenditures (2016 \$s) was used to help account for small and varying sample sizes at the county level.

⁰Expenditure category totals may not add to overall total due to rounding. [^] Comparison to previous years is not advised.